

City of Franklin General Fund Resources

City general fund resources are normally relatively predictable. The majority of general fund resource is obtained from property taxes, state shared resource, and transportation aides which are known at the beginning of the year. Resources has historically not been dependent on changes in economic factors. However, varying factors, including the local economy, can cause fluctuations from year to year in certain resource items.

Property Taxes

Property taxes are levied upon all real property and business personal property owners at a calculated rate per \$1,000 of assessed value. As is typical for most Wisconsin municipalities, the property tax is the primary resource for city government operations. The trend for property taxes, as a percentage of General Fund operating resource, is as follows:

Year	2016	2017	2018	2019	2020	2021
Percentage	69	69	66	70	70	71

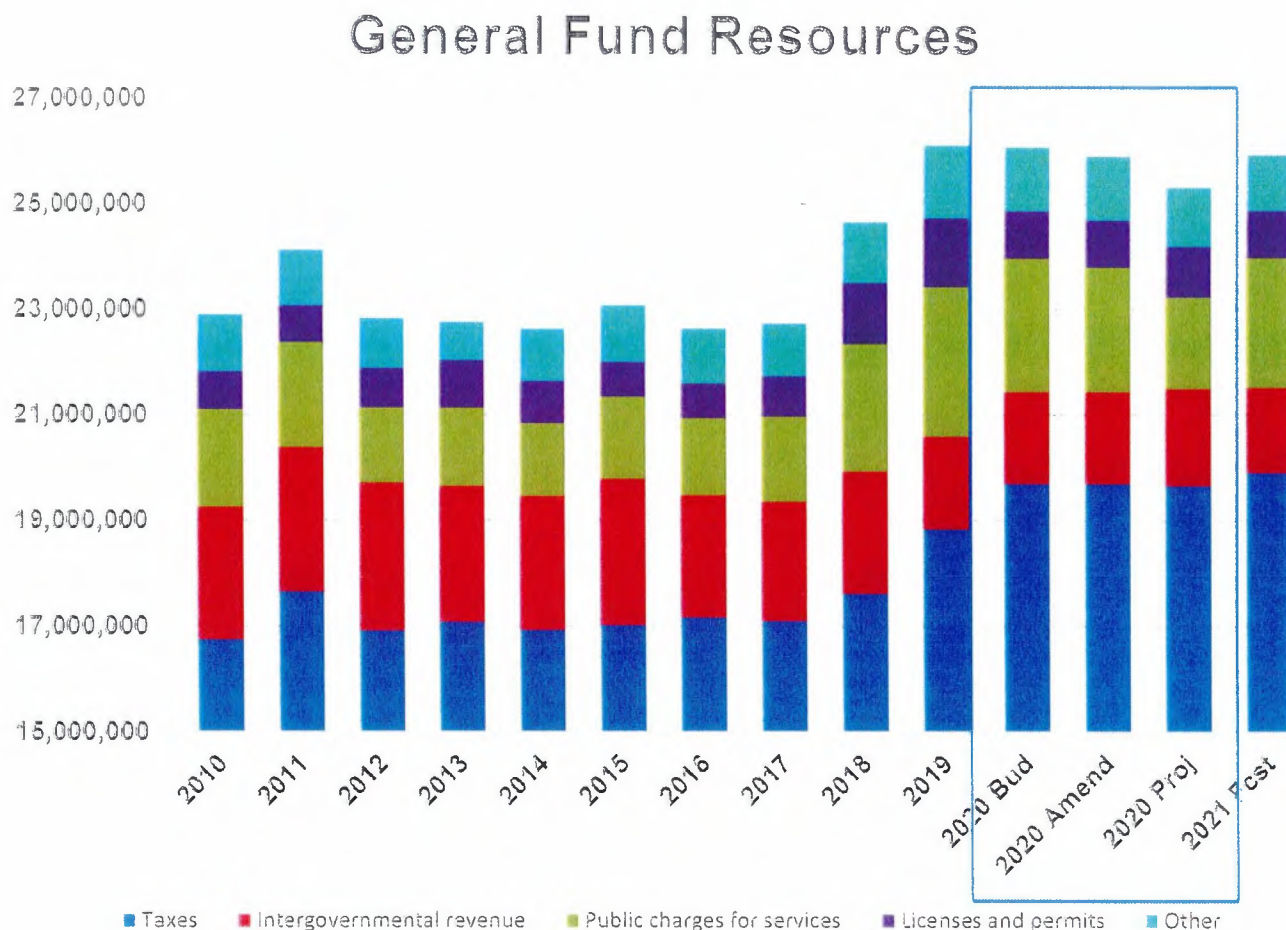
Property taxes as a percentage of general fund resource will increase or decrease, depending on fluctuations in other resources, the amount of growth in new construction or whether increases in expenditures are needed to meet service needs for the City. In 2017, Hotel Taxes were limited by State Statutes to 2014 levels, and will be further restricted to 2010 levels by 2021. State levy limits are causing Cities to get creative about where certain state aids are credited. That will result in the greater appearance of taxes in the General Fund. Recent increased development activity will increase Building Permit resources.

The city's tax levy on a per capita basis is slightly below the State's median for City's our size.

	2016	2017	2018	2019	2020	2021
Population	35,741	36,046	35,779	35,779	35,996	36,514
Tax Levy						
General Fund	\$16,248,800	\$16,414,900	\$16,909,449	\$18,130,675	\$19,005,700	\$19,219,800
Library	1,287,000	1,296,600	1,303,200	1,312,700	1,340,500	1,357,200
Capital	1,473,200	1,497,500	1,515,200	646,000	295,700	296,000
Debt Service	1,500,000	1,300,000	1,300,000	1,300,000	1,100,000	1,100,000
Total Tax Levy	\$20,509,000	\$20,509,000	\$21,027,849	\$21,389,375	\$21,741,900	\$21,973,000
Per Capita						
General Fund	\$455 46	\$458 20	\$472 61	\$506 74	527 99	526 36
Library	36 07	36 19	36 42	36 69	37 24	37 17
Capital	41 30	41 80	42 35	18 06	8 21	8 10
Debt Service	42 05	36 29	36 33	36 33	30 56	30 12
Total Tax Levy	\$574 88	\$572 48	587 71	\$597 82	604 01	601 77

The per capita property tax levy has ranged from a high of \$ 604.01 in 2020 to a low of \$572.48 in 2017. Wisconsin Municipal Facts reported that cities of 30,000 to 150,000 had a median per capita property tax levy of \$622 for 2017/18 tax levies. As the City's population growth has stagnated, the per capita tax levels have increased. Franklin's per capita tax rate is below the

median.



The chart above demonstrates how operating tax levy has grown since 2018. At the same time Intergovernmental resources have declined (see below). Public Charges for Services (Ambulance fees and Landfill Siting) have risen in recent years.

Starting in 2019, General Transportation Aids were partially shifted to the Street Improvement Fund and additional Landfill Siting resources into the Capital funds freeing up additional tax levy to the General Fund. Then in 2020, with an increase in expected landfill siting resources, a cap was placed upon the amount of landfill siting resource dedicated to operating activities. As landfill siting resources have risen the total amount dedicated to operating activities has risen.

Utility Tax Equivalent

The Franklin Water Utility makes a payment in lieu of property taxes, as permitted by the Public Service Commission, by applying the local municipal and school tax rates against the total value of plant in service (infrastructure). As the plant in service has grown due to the pace of development in the City, this resource has also increased. Much of the plant value added is contributed via developers, Tax Increment Districts or assessment projects. For 2021, that

payment is estimated at \$1,034,000. The Water Utility has two large projects in the near future which will raise this payment to the City.

Hotel/Motel Room Tax

Hotels and motels charge a room tax that benefits the City of Franklin. The development of a hotel on South 27th Street resulted in the City receiving increased room taxes starting in 2009. A second hotel opened in July, 2015 near S 76th and W Rawson Ave. The 2015-16 state budget included a provision which directs a portion of this resource to tourism beginning in 2017. In 2016, the year prior to the new restriction, this resource provided \$327,191. For 2021, the General Fund resource is capped at \$151,900, with the balance directed to the Franklin Tourism Commission. For 2021, the Hotel Tax rate is planned to increase 33% from 6% to 8%, which will raise the amount available to the General Fund. In 2020, the COVID-19 Pandemic closed the hotels for a period of time, which reduced the hotel taxes dedicated to Tourism.

Cable Franchise Fees

A franchise fee is charged by the City on cable television services, and has decreased in recent years. Declining trends in the number of cable subscribers has impacted this resource. For 2021, that tax should approximate \$443,000.

In the 2019-20 State Budget, the legislature lowered the tax rate to 4% (from 5%) beginning in January 2020. A new state aid was created to replace the impact of the tax rate reduction. The combined effect is zero, while taxes appear to decline and Intergovernmental resources increase.

State Shared Resource

State Shared Resource was based on a formula that considered per capita and aidable resource factors that included relative property value of the City and local resource generated. During recent years the State has either not increased or has decreased the amount received. In 2011 the City received \$548,000, ten years later, in 2021 shared resource is anticipated to receive \$522,000 an 4.8% decrease.

Expenditure Restraint payments are provided by the State for communities that limited their General Fund spending to a specified percentage. The percentage limit considers inflation and growth in new construction in the City. The amount received is dependant on the amount of the equalized tax rate over 5 mills (\$5.00 per 1,000 of value) and the communities that qualify. In 2011 the City of Franklin received \$271,000. In 2021, \$25,000 is anticipated. With the restricted growth in Tax levy and rising real estate values, the City's equalized tax rate is projected to fall below \$5 00. That will effectively remove the City from the State's Expenditure Restraint program in the future.

The State provides general transportation aids to local communities. Transportation aids are based on a formula established by the State that considers costs of maintaining the City's transportation system, including maintenance, traffic enforcement, and capital costs (street

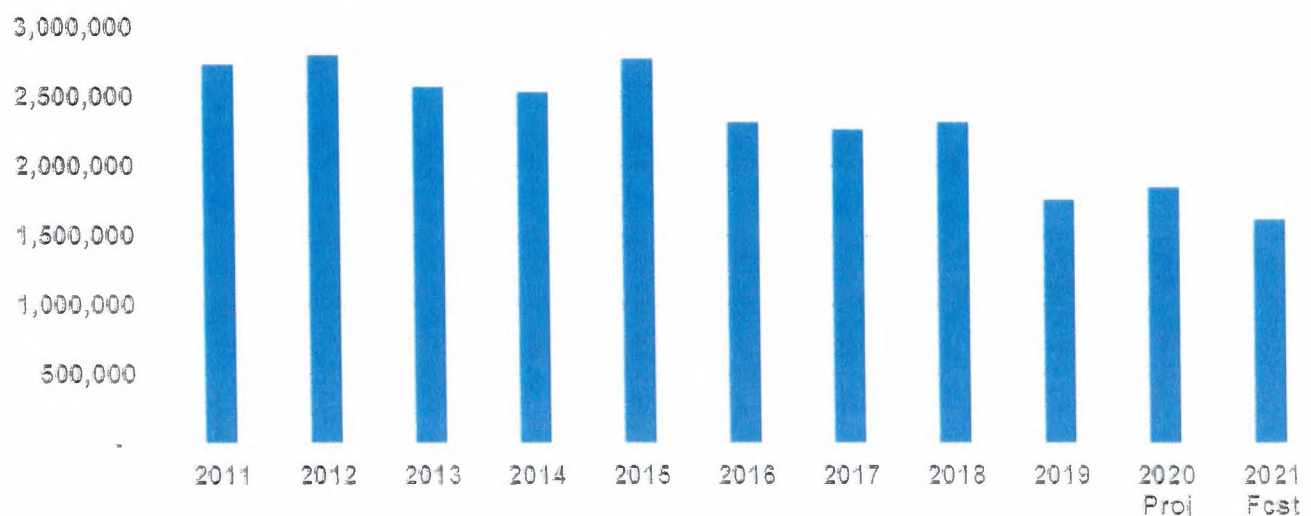
construction, etc.). This formula uses Franklin's highway expenditures over a rolling 6-year period in determining the aid amount. In 2011 the City of Franklin received \$1,554,000. For 2021, transportation aids are anticipated to be \$1,372,000 – a 11.7% decrease. The impact of the large Ballpark Commons project will increase transportation aids for several years. Beginning in 2019, only \$520,000 of this Aid will fund the General Fund, with the balance supporting the Street Improvement Fund. The effect is to free tax levy that previously funded capital needs.

A 1997 legislative change exempted business computers from being subject to property tax. It also provided for a state aid payment to municipalities to offset the loss of this income. The program was frozen by the Legislature in the 2017-18 budget, with a 1.47% increase in 2019 from 2018 levels. In the same budget, a new class of personal property was exempted, with a new Personal Property Aid payment. However, the new aid payment reduces the allowable levy increase dollar for dollar. For 2021, the exempt computer aids are \$228,000 and the new exempt personal property aid is \$60,300.

Overall support from the Intergovernmental resources have decreased over the last ten years. Adjusting for the 2019 removal of \$700,000 of General Transportation Aids from the General Fund would still reflect a reduction, albeit a much smaller one. Generally, Franklin's shared revenue per capita is near the very bottom for Cities our size in the state, which relates to the higher per capita income and lack of Utility property in the City.

The COVID-19 impact on State resources in 2020 will have a dampening effect on Intergovernmental resources in future years. The relatively low level of these resources for Franklin will temper the impact locally.

General Fund - Intergovernmental Resources

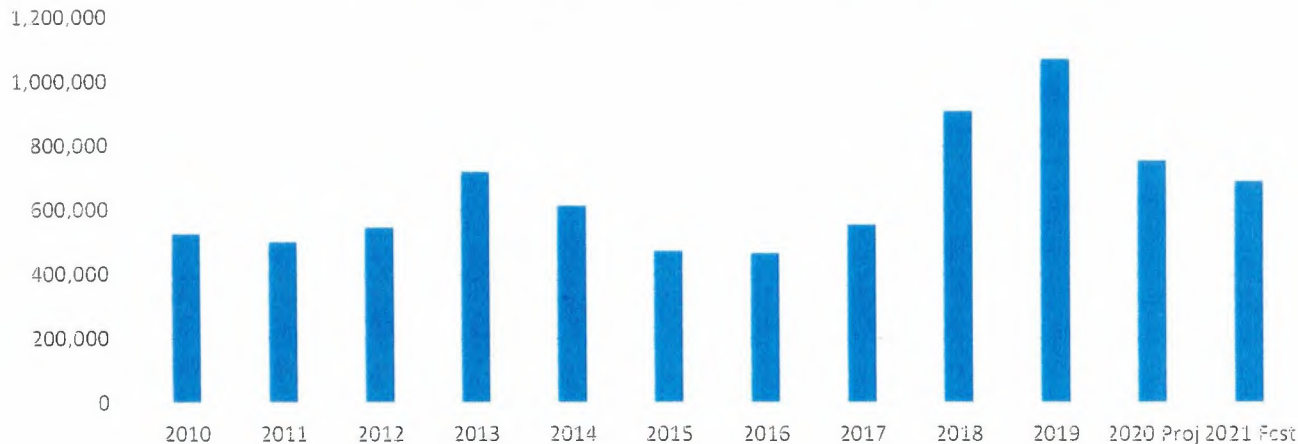


Licenses and Permits

The City issues numerous licenses and permits in performing its regulatory functions, such as building, electrical, plumbing, liquor, bartender, peddler, food, pet, contractor, and others. The

majority of such resource items do not fluctuate greatly from year to year and in some cases change is limited by state statutes. The primary resource in the permit category is building, plumbing and electrical permits (approximately 80%). The 2021 budget anticipates \$690,000 in Building, Plumbing and Electrical permit resources. That compares to \$690,000 budgeted in 2020, when Ballpark Commons projects were getting pulled. The Tax Increment Districts provides the prospect of increased building permit resource.

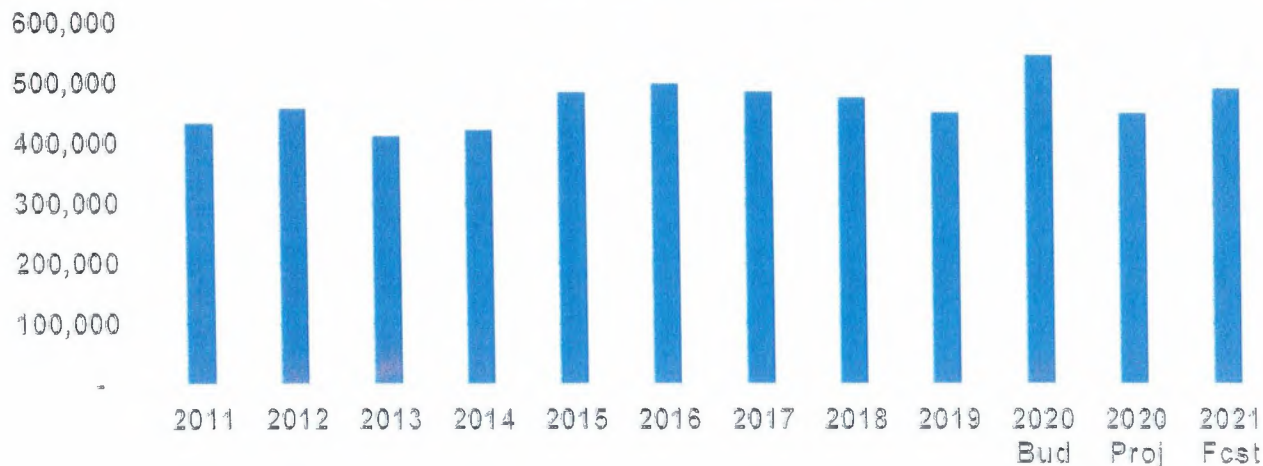
Building Permit Resource



Penalties and Forfeitures

This category represents the City's share of fines from violation of City ordinances and state statutes, as well as parking ticket resource. The 2021 projection is \$490,000. 2020 Penalties & Forfeitures were adversely impacted by the COVID19 Pandemic, as residents did not travel as much.

Penalties & Forfeitures

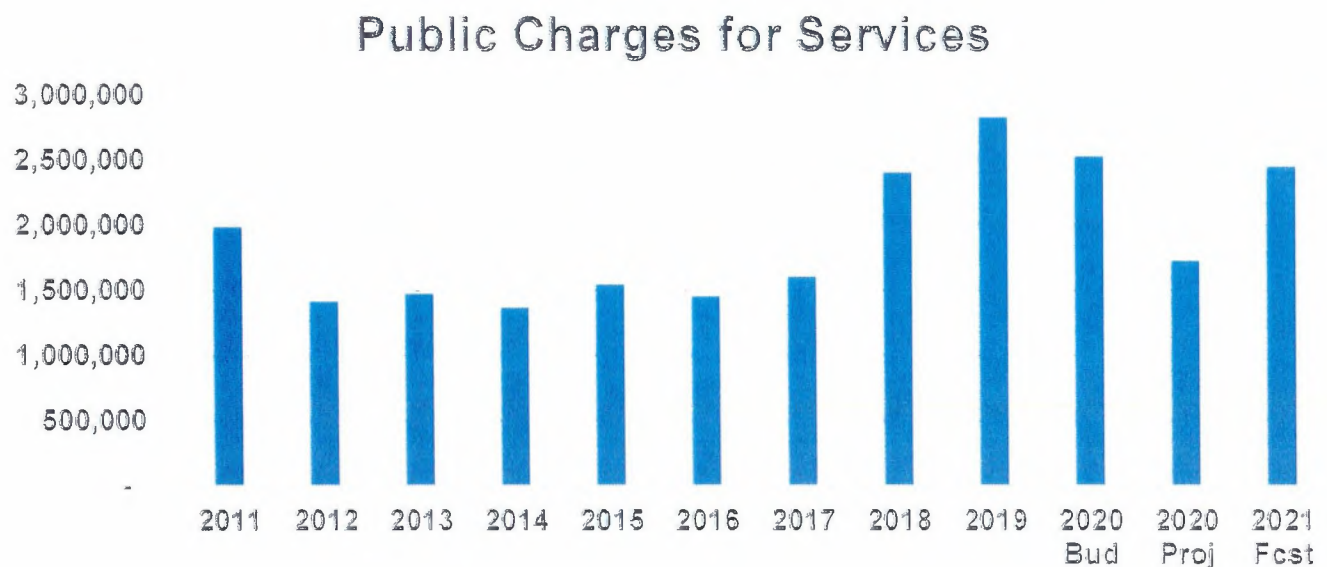


Charges for Services

This resource includes charges for use of City services. The primary resource in this category is generated from ambulance services (53%), planning, engineering and administrative fees, and charges to developers in connection with development agreements.

In 2018, Engineering inspection fees began to be recorded gross, rather than net of payments to inspection contractors, effectively adding several hundred thousand dollars. With the increased development activity, those fees ballooned.

Fees for basic and advanced life support services and ambulance transportation are billed on behalf of the City by an outside billing service.



2021 ambulance fees are anticipated to be \$1,350,000, unchanged from 2020. In 2020, the Pandemic saw recurring calls for Ambulance service decline and resources with them. As the Senior Housing project in Ballpark Commons development goes into service, calls for service likely will increase.

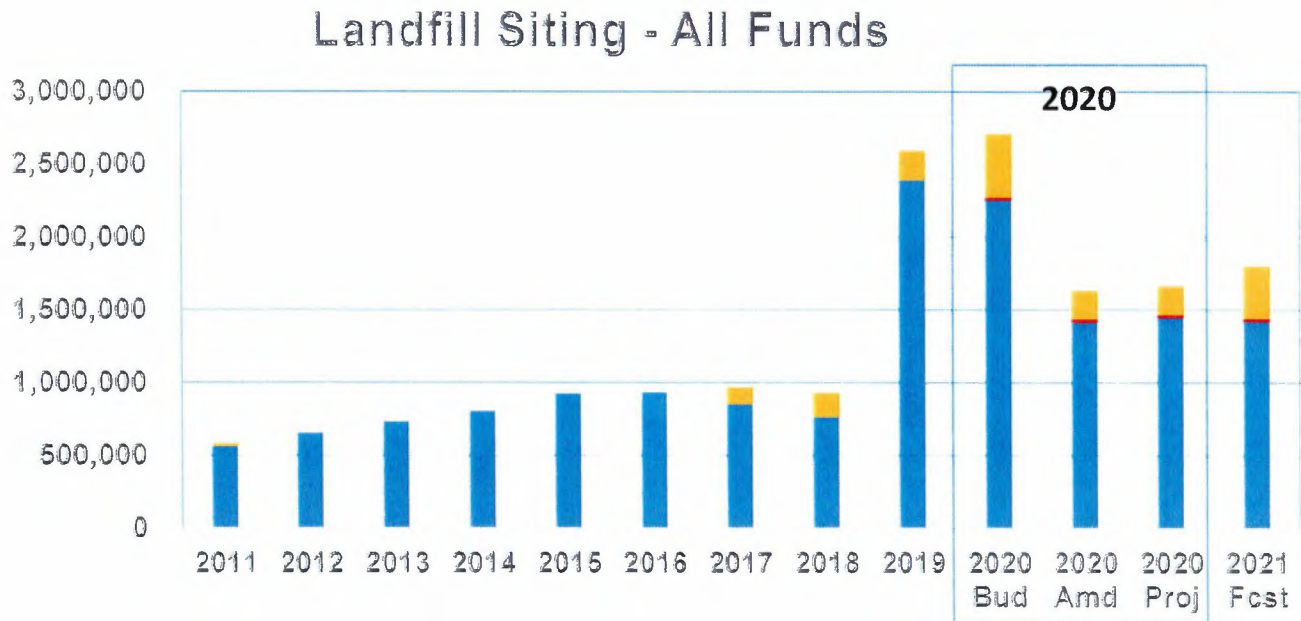
In 2021, Landfill siting resources dedicated to the General Fund are increasing to \$360,000 (from \$200,000). The Common Council directed that only 20% of expected Landfill Siting resources be dedicated to operating activities. See below for further discussion of Landfill Siting resources.

Landfill Siting Resources

The granting of a landfill license to Waste Management in 2010 by the WI Dept of Natural Resources saw the beginning of a new resource for the City and surrounding communities. A Landfill Siting Agreement was completed requiring a payment for each ton of fill going into the site, which is shared 75% to the City of Franklin (where it is located) and the remaining 25% with six other communities. The initial license was for 1.2 million tons. In 2018 the first expansion

license was obtained expanding the landfill by 9 million tons. With that expansion the fee increased 25%. Waste Management had been controlling the amount of material accepted until the expansion permit was obtained. 2019 saw a spike to \$2.7 million in fees that year.

This resource will end when the landfill license is exhausted, so funding current operations with this resource presents long term challenges to replace it when the landfill is full. The City has been funding capital projects for most of the resource life cycle. The site has the potential for 19 million tons of waste, which would permit one additional 9 million tons license renewal.



.The 2021 budget anticipates Landfill siting resources to be allocated \$360,000 to General Fund, \$20,000 to the Library, and \$1.42 million to Capital Funds. A risk is that operating expenditures become too dependent upon non-recurring resources. Within the Capital funds, \$375,000 is allocated to Capital Outlay, \$690,000 to Equipment Replacement, \$175,000 to Street Improvement and \$180,000 to Capital Improvement.

Intergovernmental Charges for Services

In addition to the Emergency Medical Services resource included in charges for services above, a County subsidy is received toward providing the service. In 2012, the County negotiated a three year agreement that has Franklin receiving \$125,000 per year in Emergency Medical Service aids. That agreement is subject to budget pressures at the County level. For 2021, County resources are expected to be \$117,800. Long term this resource cannot be depended upon.

In 2015, the Franklin School District resumed a program of a School Liaison Officer and contributes 70% of the cost of that officer back to the City. That program is expected to continue in 2021.

Interest Resource

Investment earnings is one, of two, main resources in this category. Investment interest resource has declined following the falling short-term interest rates since 2009. Short term investment returns rose rapidly in 2018 and 2019. Economic pressures related to the COVID-19 pandemic have pushed rates back toward zero. This resource source will follow market interest rate movements.

Another component of Investment results are realized and unrealized gains/losses on fixed income investments. The City's investment policy limits the term of investments to a maximum of seven years. That provides downside protection from investment losses related to longer duration securities. Investments are reflected at market values generating unrealized gains and losses. However, as Investments are anticipated to be held to maturity, any unrealized losses are expected to be recovered, barring any premature forced sale for an emergency.

The last major component is Interest charged at the statutory rate of 18% per annum on delinquent property taxes. The City retains any interest collected by it, until such time as the County purchases all uncollected Real Estate (but not Personal Property) tax bills in August each year.

Miscellaneous Resource

Water Tower rentals to cell phone companies and insurance dividends are the main components of miscellaneous resource.

City of Franklin, WI
 General Revenues

GL NUMBER	DESCRIPTION	2021 MAYOR'S RECOMM BUDGET	2021 DEPT REQUEST BUDGET	2020 PROJECTED ACTIVITY	2020 ORIGINAL BUDGET	2019 ACTIVITY	2018 ACTIVITY
Dept 0000 - GENERAL							
REAL ESTATE TAXES							
01-0000-4011 *	GENERAL PROPERTY TAX	19,184,900	19,219,800	19,005,700	19,005,700	18,127,772	16,887,688
REAL ESTATE TAXES		19,184,900	19,219,800	19,005,700	19,005,700	18,127,772	16,887,688
TAXES							
01-0000-4012	PROPERTY TAX-SPECIAL-PAY IN LIEU O	12,000	12,000	9,500	9,500	9,214	11,815
01-0000-4014	MOBILE HOME TAX	20,000	20,000	21,000	21,000	19,689	19,615
01-0000-4022	MOTEL ROOM TAX	151,900	151,900	175,400	175,400	183,321	191,600
01-0000-4025 *	CABLE TV&VIDEO FRANCHISE FEE	443,000	443,000	443,000	480,000	489,934	501,021
TAXES		626,900	626,900	648,900	685,900	702,158	724,051
FUND TRANSFERS							
01-0000-4031 *	TAX EQUIVALENT	1,050,000	1,050,000	1,046,000	1,050,000	968,448	1,011,392
FUND TRANSFERS		1,050,000	1,050,000	1,046,000	1,050,000	968,448	1,011,392
INTERGOVERNMENTAL							
01-0000-4121	PER CAPITA	405,000	405,000	405,000	405,000	404,536	405,039
01-0000-4122	STATE MEDICAL TRANSPORT AID	30,000	30,000	28,800	30,000	28,848	28,345
01-0000-4124 *	EXPENDITURE RESTRAINT	25,000	25,000	118,600	150,000	142,891	162,254
01-0000-4125	SPECIAL UTILITY	87,000	87,000	87,000	67,000	90,913	67,375
01-0000-4126	STATE EXEMPT COMPUTER AID	228,000	228,000	228,000	228,000	228,051	222,663
01-0000-4127	FIRE INSURANCE TAX	170,000	170,000	153,000	165,000	164,859	151,565
01-0000-4128 *	EXEMPT PERS PROP AID	60,300	60,300	78,000	95,600	95,677	
01-0000-4129	VIDEO SERVICE PROVIDER AIDS	98,500	98,500	50,000			
01-0000-4144 *	GEN TRANS AIDS	540,000	540,000	639,000	535,000	520,846	1,221,069
01-0000-4157 *	OTHER POLICE GRANTS	66,600	66,600	60,000	70,800	80,725	59,178
INTERGOVERNMENTAL		1,710,400	1,710,400	1,847,400	1,746,400	1,757,346	2,317,488
LICENSES & PERMITS							
01-0000-4201	CLASS A BEER	1,900	1,900	1,900	1,900	1,910	1,843
01-0000-4202	CLASS A LIQUOR	9,500	9,500	9,500	9,000	9,180	9,187
01-0000-4203	CLASS B BEER	4,000	4,000	4,000	4,000	3,967	4,072
01-0000-4204	CLASS B LIQUOR & RESERVE FEE	16,500	16,500	16,400	16,500	16,417	16,827
01-0000-4205	SPECIAL CLASS B BEER					10	
01-0000-4206	CLASS C WINE	200	200	300		300	267
01-0000-4209	BARTENDER/OPERATOR LICENSE	16,500	16,500	16,500	16,500	18,174	16,715
01-0000-4213	AMUSEMENT LICENSES	6,200	6,200	6,100	6,500	6,125	6,240
01-0000-4215	BOWLING AND POOL	500	500	530	500	530	530
01-0000-4217	ENTERTAINMENT & AMUSEMENT	4,000	4,000	4,500	2,800	3,000	4,384
01-0000-4219	PEDDLER/TRANSIENT/DOOR-TO-DOOR	4,500	4,500	4,100	4,500	4,129	4,256
01-0000-4221	COMBINATION-FOOD&PEDDLER LIC	100	100		150		
01-0000-4222	FOOD PRE-INSPECTION	4,000	4,000	4,500	1,600	5,076	4,918
01-0000-4223	FOOD LICENSE			250		5,690	2,695
01-0000-4227	SODA LICENSE	300	300	150	300	195	95
01-0000-4229	CIGARETTE LICENSE	2,300	2,300	2,300	2,300	2,500	2,300
01-0000-4233	COUNTRY CLUB LICENSE	250	250	250	250	250	250

City of Franklin, WI
 General Revenues

GL NUMBER	DESCRIPTION	2021 MAYOR'S RECOMM BUDGET	2021 DEPT REQUEST BUDGET	2020 PROJECTED ACTIVITY	2020 ORIGINAL BUDGET	2019 ACTIVITY	2018 ACTIVITY
Dept 0000 - GENERAL							
LICENSES & PERMITS							
01-0000-4237	SALVAGE YARD/WASTE DISPOSAL	700	700	700	1,400	700	700
01-0000-4241	OTHERLIC/PUBLIC GRT/TAXEXMPT	2,000	2,000	2,000	2,400	2,195	1,895
01-0000-4242	TECHNOLOGY FEE	15,000	15,000	15,000	8,500	15,640	15,037
01-0000-4257	BICYCLE LICENSE					8	12
01-0000-4261	ANIMAL& MOBILE HOME LICENSES	6,800	6,800	6,600	6,800	6,604	6,917
01-0000-4262	RETAIL FOOD ESTABLMT LICENSE	20,000	20,000	20,000	20,500	20,563	1,335
01-0000-4263	RESTAURANT LICENSE & MISC FEES	35,000	35,000	35,000	35,000	35,779	59,579
01-0000-4264	APPLICATION&OTHER HEALTH LIC	8,500	8,500	8,000	8,900	8,560	6,850
01-0000-4265	POOL LICENSE FEES	7,200	7,200	9,000	7,200	9,325	3,200
01-0000-4266	HOTEL/MOTEL LODGING LICENSE FEES	3,500	3,500	3,200	3,500	3,134	3,797
01-0000-4268	HEALTH LATE FEES					170	255
01-0000-4269	HEALTH REINSPECTION FEES	500	500		500	250	775
01-0000-4270	HEALTH PREINSPECTION FEES	500	500	500	500	150	380
01-0000-4271 *	BUILDING PERMITS	600,000	600,000	525,000	500,000	736,289	660,746
01-0000-4273 *	ELECTRICAL PERMITS	165,000	165,000	155,000	100,000	151,355	139,081
01-0000-4275 *	PLUMBING PERMITS	120,000	120,000	110,000	90,000	183,445	108,535
01-0000-4277	STREET EXCAVATION PERMITS	12,000	12,000	17,500	10,000	19,276	18,875
01-0000-4279	FILL PERMITS	3,500	3,500	3,000	3,500	4,089	17,075
01-0000-4281	SIGN PERMITS	12,000	12,000	12,500	12,000	10,065	16,222
01-0000-4285	SPECIAL EVENT PERMIT	900	900	900	900	900	1,275
01-0000-4286	PARK CANCELLATION FEE - NON-TAXAB						25
01-0000-4287	PARK & FIELD RESERVATION-TAXABLE	18,000	18,000	5,500	18,000	19,838	19,800
01-0000-4288	FIRE BURNING & OTHER PERMITS	4,000	4,000	4,000	4,000	3,985	3,625
01-0000-4289	ALARM/BARRICADE/MINING PERMITS	2,800	2,800	2,800	2,800	435	815
LICENSES & PERMITS		1,108,650	1,108,650	1,007,480	903,200	1,310,208	1,161,385
PENALTIES & FORFEITURES							
01-0000-4311 *	FINES/PENALTY/RESTITUTION/MISC POL	490,000	490,000	450,000	546,000	451,062	475,840
PENALTIES & FORFEITURES		490,000	490,000	450,000	546,000	451,062	475,840
CHARGES FOR SERVICES							
01-0000-4401	SUBDIVISION FILING	20,000	20,000	20,000	20,000	30,000	26,500
01-0000-4402	LAND COMBINATION FILING	800	800	800	800	1,200	1,200
01-0000-4403	CSM FILING	10,000	10,000	10,000	10,000	12,075	12,000
01-0000-4404	SITE PLAN REVIEW FILING	10,000	10,000	15,500	7,500	16,915	28,429
01-0000-4405	VARIANCE & APPEALS FILING	2,500	2,500	1,500	2,500	2,750	1,500
01-0000-4406	SPECIAL USE FILING	12,500	12,500	15,000	12,500	11,500	17,500
01-0000-4407	REZONING FILING	4,500	4,500	3,000	4,500	7,650	3,200
01-0000-4409	OTHER FILING & PLANNING CHARGE	15,000	15,000	11,000	15,000	15,005	11,635
01-0000-4411	PUBLICATIONS & RECORDING	2,400	2,400	3,000	2,400	1,483	2,849
01-0000-4413	PROPERTY STATUS REPORTS	5,500	5,500	6,500	5,500	6,600	5,090
01-0000-4415	COPYING CHARGES	500	500	250	500	221	342
01-0000-4416	SOIL TESTING					750	
01-0000-4421	MAP & CD SALES-TAXABLE	300	300	300	300	161	454

City of Franklin, WI
 General Revenues

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Dept 0000 - GENERAL							
CHARGES FOR SERVICES							
01-0000-4425	ARCHITECTURAL BOARD REVIEW	4,500	4,500	5,500	4,500	5,250	6,570
01-0000-4431	POLICE SERVICES	2,800	2,800	3,000	2,800	3,292	2,668
01-0000-4432	SPECIAL EVENT PUBLIC SAFETY	4,000	4,000		4,000	9,848	3,576
01-0000-4440	AMBULANCE SERVICES - ALS	1,350,000	1,350,000	540,000	1,350,000	900,782	893,013
01-0000-4441	AMBULANCE SERVICES-BLS			375,000		437,605	316,309
01-0000-4442	FIRE SAFETY, CPR TRAINING, FINES & M	1,500	1,500	3,000	1,500	3,943	6,210
01-0000-4443	FIRE PLAN REVW/WITNESS/TEST	4,000	4,000	3,000	40,000	77,910	43,965
01-0000-4444	FIRE INSPECTION&REINSPECTION	5,000	5,000	5,000	19,500	18,059	18,459
01-0000-4445	QUARRY REIMBURSEMENT	45,000	43,000	43,000	43,000	37,410	35,500
01-0000-4449	WEIGHTS & MEASURES CHARGES	7,600	7,600	7,600	7,600	8,643	8,576
01-0000-4452	CLINIC SERVICES	75,000	75,000	72,000	75,000	72,426	74,216
01-0000-4453	SALE OF RADON TEST KITS	1,750	1,750	1,000	1,750	1,278	702
01-0000-4456	HEALTH LABOR CHARGED TO GRANTS	40,000	40,000	35,000	37,650	41,203	42,134
01-0000-4470	WEED CONTROL	7,000	7,000	6,000	7,000	7,125	6,058
01-0000-4471	STREET LIGHTING	10,000	10,000	12,000	10,000	18,191	19,041
01-0000-4479	ENGINEERING FEES	250,000	250,000	315,000	320,000	775,261	522,432
01-0000-4480	DPW CHARGES	36,000	36,000	75,000	3,500	24,708	45,265
01-0000-4481	TICKET SALES TO EVENTS (NOT 7/4)						3,225
01-0000-4482	CLERK SERVICES						45
01-0000-4485 *	INVESTMENT MNGT FEES	71,500					
01-0000-4493 *	LANDFILL OPERATIONS-SITING	420,000	360,000	200,000	438,000	203,912	166,269
01-0000-4496	LANDFILL OPERTN-EMERALD PARK	80,000	80,000	79,000	80,000	75,877	80,473
CHARGES FOR SERVICES		2,499,650	2,366,150	1,866,950	2,527,300	2,829,033	2,405,405
INTERGOVT CHGS FOR SERVICES							
01-0000-4611 *	COUNTY EMT-PARAMEDIC-ALS	117,800	117,781	121,000	100,000	136,470	113,117
01-0000-4615 *	SCHOOL LIAISON OFFICER	85,400	85,400	62,600	82,000	89,707	79,425
INTERGOVT CHGS FOR SERVICES		203,200	203,181	183,600	182,000	226,177	192,542
INVESTMENT EARNINGS							
01-0000-4711	INTEREST ON INVESTMENTS	256,718	240,500	129,500	240,500	259,855	181,389
01-0000-4713	INVESTMENT GAINS/LOSSES			75,000		76,834	(22,571)
01-0000-4715	INTEREST-TAX ROLL	100,000	100,000	138,000	100,000	169,567	78,199
01-0000-4716	INTERFUND INTEREST	3,000	3,000	3,000	3,080	3,493	3,893
01-0000-4719	MISCELLANEOUS INTEREST					1,195	487
INVESTMENT EARNINGS		359,718	343,500	345,500	343,580	510,944	241,397
MISCELLANEOUS REVENUE							
01-0000-4725	RENTAL-MUNICIPAL PROP	52,000	52,000	52,000	50,000	78,833	99,974
01-0000-4751	PROPERTY SALE			500	500		40
01-0000-4753	CULVERT SALES-NO TAX	8,500	8,500	8,500	8,500	9,200	8,433
01-0000-4756	SALE OF STATE SEALS	1,500	1,500	2,400	1,500	2,440	1,120
01-0000-4757	HOUSE NUMBER SALES	250	250	400	250	526	294
01-0000-4771	INSURANCE DIVIDEND	50,000	50,000	58,700	40,000	82,047	88,144

City of Franklin, WI
 General Revenues

GL NUMBER	DESCRIPTION	2021 MAYOR'S RECOMM BUDGET	2021 DEPT REQUEST BUDGET	2020 PROJECTED ACTIVITY	2020 ORIGINAL BUDGET	2019 ACTIVITY	2018 ACTIVITY
Dept 0000 - GENERAL							
MISCELLANEOUS REVENUE							
01-0000-4781	REFUNDS/REIMBURSEMENTS	20,000	20,000	10,000	35,000	6,364	21,153
01-0000-4784	MADACC ANML LIC SOLD/ORD FEE	2,500	2,500	5,000	2,500	4,711	4,773
01-0000-4798	CASH OVER(SHORT)					(280)	2
01-0000-4799	MISCELLANEOUS REVENUE	1,000	1,000	500	1,000	379	337
	MISCELLANEOUS REVENUE	135,750	135,750	138,000	139,250	184,220	224,270
Totals for dept 0000 - GENERAL		27,369,168	27,254,331	26,539,530	27,129,330	27,067,368	25,641,458
* NOTES TO BUDGET DEPARTMENT 0000 GENERAL							
4011	GENERAL PROPERTY TAX						
	FOOTNOTE AMOUNTS:	19,005,700	19,005,700	19,005,700			
	2019 tax Levy in Gen Fund						
	FOOTNOTE AMOUNTS.	159,200	214,100				
	New Growth allocated to Gen Fund						
	FOOTNOTE AMOUNTS.	20,000					
	Mayor's Recommended Budget Change						
	ACCOUNT '4011' TOTAL	19,184,900	19,219,800	19,005,700			
4025	CABLE TV&VIDEO FRANCHISE FEE						
	FOOTNOTE AMOUNTS:	443,000	443,000	443,000			
	expect 1% decline in 2021						
4031	TAX EQUIVALENT						
	FOOTNOTE AMOUNTS			1,046,000			
	Water Plant Jan 1 2020 = 69,854,793 x 97% x est 15.45						
	FOOTNOTE AMOUNTS	1,050,000	1,050,000				
	Plant increases by \$1 mil, rate drops to 15.05						
	ACCOUNT '4031' TOTAL	1,050,000	1,050,000	1,046,000			
4124	EXPENDITURE RESTRAINT						
	FOOTNOTE AMOUNTS:	25,000	25,000	118,600			
	The Expenditure Restraint State program returns funds to the city based upon several factors, with the Equalized tax rate above \$5 00 being a qualifier. The City's equalized tax rate has been falling for several years, and likely will be at or below \$5 00 for 20/21 The 2020 revenue was \$118,605, expect that to drop to near zero for 2021						
4128	EXEMPT PERS PROP AID						
	FOOTNOTE AMOUNTS	60,300	60,300				
	Per Aug 14, 2020 State Aids letter						

City of Franklin, WI
 General Revenues

GL NUMBER	DESCRIPTION	2021 MAYOR'S RECOMM BUDGET	2021 DEPT REQUEST BUDGET	2020 PROJECTED ACTIVITY	2020 ORIGINAL BUDGET	2019 ACTIVITY	2018 ACTIVITY
Dept 0000 - GENERAL 4144	GEN TRANS AIDS						
	FOOTNOTE AMOUNTS	540,000	540,000	639,000			
	2020 GTA are now at \$1,404,000 less Fd 47 of 765,000 - amount over budget allocated to Gen Fund in 2020						
	The 2021 Estimate range is \$1,263,500 to \$1,614,500 based upon Actual 2019 Expenditures and a 16.000 Cost Share. However, with the 2020 pandemic, gas tax collections declined significantly, reducing the pool of funds to be shared. No guidance from League as yet, using the low end of estimate for 2021, with a 1% lift in Gen Fund, and Fd 47 dealing with the balance						
4157	OTHER POLICE GRANTS						
	FOOTNOTE AMOUNTS	27,000	27,000	20,000			
	2021 POLICE GRANT - Alcohol Enforcement						
	FOOTNOTE AMOUNTS	10,000	10,000	15,000			
	2021 POLICE GRANT - Speed Enforcement						
	FOOTNOTE AMOUNTS	20,000	20,000	15,000			
	2021 POLICE GRANT - Seat Belt Enforcement						
	FOOTNOTE AMOUNTS.	9,600	9,600	10,000			
	Dept of Justice reimbursement for training costs - matches Police acct 5423						
	ACCOUNT '4157' TOTAL	66,600	66,600	60,000			
4271	BUILDING PERMITS						
	2021 based on ~75 new SF and 2 two-fam homes, 1 hotel, 2 light industrial bldgs, 1 special use bldg, 1 restaurant, an entertainment dev, and routine remodels/improvements, in line with past 3 yr trend						
4273	ELECTRICAL PERMITS						
	2021 based on same as bldg permit revenue notes and routine electrical improvements, in line with past 3 yr trend						
4275	PLUMBING PERMITS						
	2021 based on same as bldg permit revenue notes and routine plumbing improvements, in line with past 3 yr trend						
4311	FINES/PENALTY/RESTITUTION/MISC POLICE						

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2021 MAYOR'S RECOMM BUDGET	2021 DEPT REQUEST BUDGET	2020 PROJECTED ACTIVITY	2020 ORIGINAL BUDGET	2019 ACTIVITY	2018 ACTIVITY
Dept 0000 - GENERAL							
	FOOTNOTE AMOUNTS:			450,000			
	Discussion with Kar 5/7/20 - Judge reviewed fine rate levels in summer 2019, and felt fine rates were in line with neighboring communities. No increase in revenue due to fine rate increase expected.						
	FOOTNOTE AMOUNTS	490,000	490,000				
	Base of Fines & Penalty income						
	ACCOUNT '4311' TOTAL	490,000	490,000	450,000			
4485	INVESTMENT MNGT FEES						
	FOOTNOTE AMOUNTS:	71,500					
	FIN DEPT FEE FOR MANAGING OPEB TRUST PASSIVE INVESTMENT PORTFOLIO - APPROX 1% OF ASSETS						
4493	LANDFILL OPERATIONS-SITING						
	FOOTNOTE AMOUNTS:			200,000			
	2020 resource revised to \$200,000 when revenues declined by \$1 million						
	FOOTNOTE AMOUNTS:	360,000	360,000				
	Common Council adopted policy of 20% of expected Landfill Siting Revenue in 2018, being \$1.8 mill total						
	FOOTNOTE AMOUNTS:	60,000					
	Increase Siting Revenue by \$300,000 - 20% to Gen Fund						
	ACCOUNT '4493' TOTAL	420,000	360,000	200,000			
4611	COUNTY EMT-PARAMEDIC-ALS						
	FOOTNOTE AMOUNTS:	117,800	117,781	121,000			
	five year extension of previous 2017-2020 approved by County Board. Franklin's share of 1.5M is 117,781.06 for 2021						
4615	SCHOOL LIAISON OFFICER						
	FOOTNOTE AMOUNTS:	85,400	85,400	62,600			
	Expected Franklin Public Schools contribution toward School Liason Officer - 85% of position cost						
	In March 2020, Public Health crisis closed schools - lost March, April, & May revenues						
	DEPT '0000' TOTAL	22,554,500	22,457,881	22,145,900			
Dept 0181 - MUNICIPAL BUILDINGS							
MISCELLANEOUS REVENUE							
01-0181-4781	DISABILITY PAY REIMBURSEMENT					2,267	
MISCELLANEOUS REVENUE						2,267	
Totals for dept 0181 - MUNICIPAL BUILDINGS						2,267	
Dept 0211 - POLICE DEPT							
MISCELLANEOUS REVENUE							
01-0211-4781	DISABILITY PAY REIMBURSEMENT					7,830	9,157

City of Franklin, WI
 General Revenues

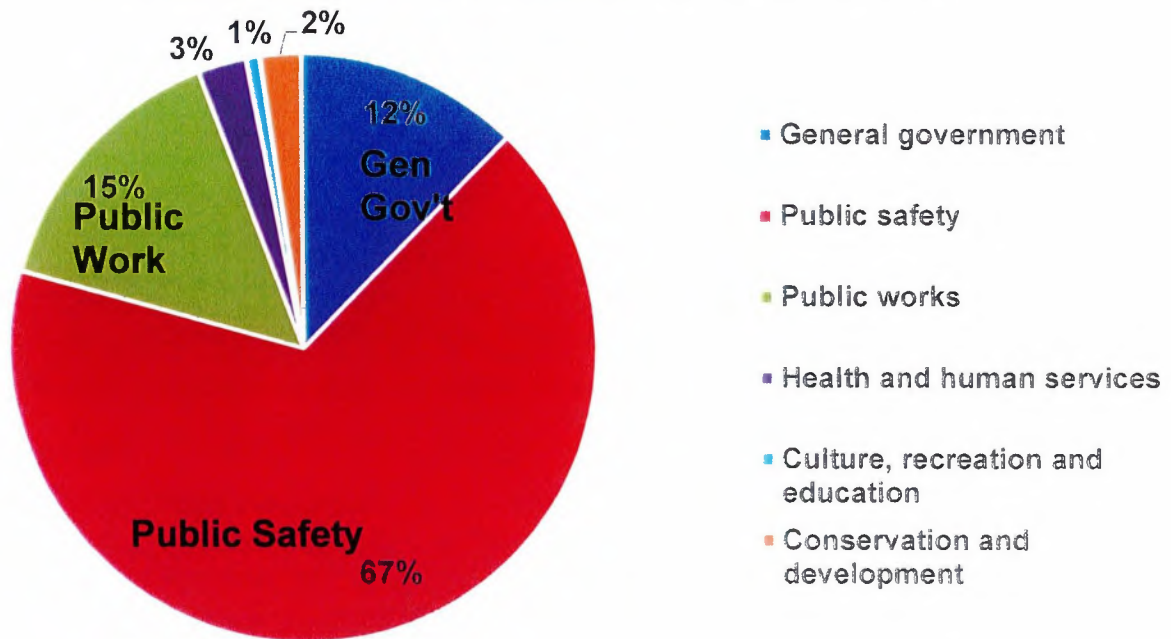
GL NUMBER	DESCRIPTION	2021 MAYOR'S RECOMM BUDGET	2021 DEPT REQUEST BUDGET	2020 PROJECTED ACTIVITY	2020 ORIGINAL BUDGET	2019 ACTIVITY	2018 ACTIVITY
Dept 0211 - POLICE DEPT							
MISCELLANEOUS REVENUE							
MISCELLANEOUS REVENUE						7,830	9,157
Totals for dept 0211 - POLICE DEPT						7,830	9,157
Dept 0221 - FIRE DEPT							
MISCELLANEOUS REVENUE							
01-0221-4781 DISABILITY PAY REIMBURSEMENT							12,445
MISCELLANEOUS REVENUE							12,445
Totals for dept 0221 - FIRE DEPT							12,445
Dept 0331 - HIGHWAY							
MISCELLANEOUS REVENUE							
01-0331-4781 DISABILITY PAY REIMBURSEMENT							3,036
MISCELLANEOUS REVENUE							3,036
Totals for dept 0331 - HIGHWAY							3,036
ESTIMATED REVENUES - FUND 01		27,369,168	27,254,331	26,539,530	27,129,330	27,077,465	25,666,096

City of Franklin General Fund Expenditures

City General Fund expenditures are divided into Activities and further reported by categories/departments. The activities are general government, public safety, public works, health & human services, culture & recreation, and conservation and development. A summary of the expenditures by Activity (in thousands) follows:

	2017	2018	2019	2020 Bud	2020 Proj	2021	Inc (Dec)
Gen Gov	2,941	2,944	2,954	3,394	2,967	3,163	(231)
Pub Safety	16,661	17,077	17,157	18,447	17,740	18,352	(95)
Pub Works	3,852	3,388	4,140	4,152	4,070	4,289	137
Health	676	670	647	738	723	713	(25)
Culture & Rec	188	241	223	210	190	218	8
Conservation	520	512	606	619	623	600	(19)
Transfers & Other	57	84	52	524		24	(500)
Contingency		1		1,144		10	(1,134)
Total	24,895	24,917	25,779	29,228	26,314	27,369	(1,859)

General Fund Expenditures by Activity



General Government

General government is comprised of 12 departments that provide either specific services for the City or provide services to or on behalf of the departments. General Government expenditures are approximately 12.0% of the General Fund expenditure budget. General Government expenditures have a disproportionate component of contract services as several functions have been contracted out, including Assessing and Information Services. Certain General

Government services provide oversight for other funds, such as financial services to the Utilities and TIDs. Those funds then provide resources back to the General Fund for those services.

Public Safety

Public safety is comprised of Police, Fire, Public Fire Protection, Building Inspection, and Weights and Measures. Public Safety expenditures comprise approximately 67% of the General Fund budget. A breakdown by expenditure category within Public Safety follows:

Public Safety (000's)	2017	2018	2019	2020 Bud	2020 Proj	2021 Req	Inc (Dec)
Salaries	10,511	10,779	10,822	11,517	11,139	11,568	51
Benefits	4,418	4,435	4,357	4,706	4,571	4,587	(119)
Contract Services	491	528	688	786	697	754	(32)
Facilities	642	656	613	693	637	683	(10)
Services & Charges	237	243	239	267	244	262	(5)
All Other	360	437	438	478	451	498	20
Total Pub Safety	16,660	17,077	17,157	18,447	17,740	18,352	(95)
Inc (dec) Pr Yr Pct	5.5	2.5	0.5	7.5	3.4	(5)	

Public Works

Public Works is comprised of Engineering, Highway, Street Lighting, and Weed Control. Public Works comprises approximately 15% of General Fund Expenditures. Not surprisingly, supplies costs (including fuel to run trucks and road salt) make a sizable portion of this Activity, along with the labor cost to provide the service.

Public Works (000's)	2017	2018	2019	2020 Bud	2020 Proj	2021 Req	Inc (Dec)
Salaries	1743	1629	1721	1972	1854	2,020	48
Benefits	1038	425	469	592	549	595	3
Contract Services	122	476	748	438	442	447	9
Facilities	319	316	320	372	373	391	19
Supplies	521	430	766	629	713	683	54
All Other	109	112	117	148	140	152	4
Total Pub Works	3852	3388	4140	4152	4071	4,289	137
Inc (dec) Pr Yr Pct	2.9	-12.1	22.2	0.3	-1.7	3.3	

In 2017, there was a one-time contribution to the retirement plan for this group which spiked the expenditure that year. In 2019, the City returned \$390,000 to the Solid Waste hauler related to an audit.

Health & Human Services

Health & Human Services is comprised of the health and the animal control expenses. Health & Human Services expenditures amount to approximately 3.0% of the General Fund expenditure budget. The pandemic emergency in 2020 demonstrated the need for this service to the community.

Culture & Recreation

Culture & Recreation is comprised of the Parks and Recreation expenses. Recreation expense includes amounts paid for St. Martins Fair and Civic Celebrations. Culture & Recreation expenditures amount to approximately 1.0% of the General Fund expenditure budget.

Conservation & Development

Conservation & Development is comprised of the Economic Development and Planning functions. Conservation & Development expenditures amount to approximately 2.0% of the General Fund expenditure budget. In 2016, the City added a full time Economic Development Director to foster greater development.

Transfers out and Contingency

Transfers out relate to contributions to Recreation as well as one-time uses of excess reserves for capital expenditures.

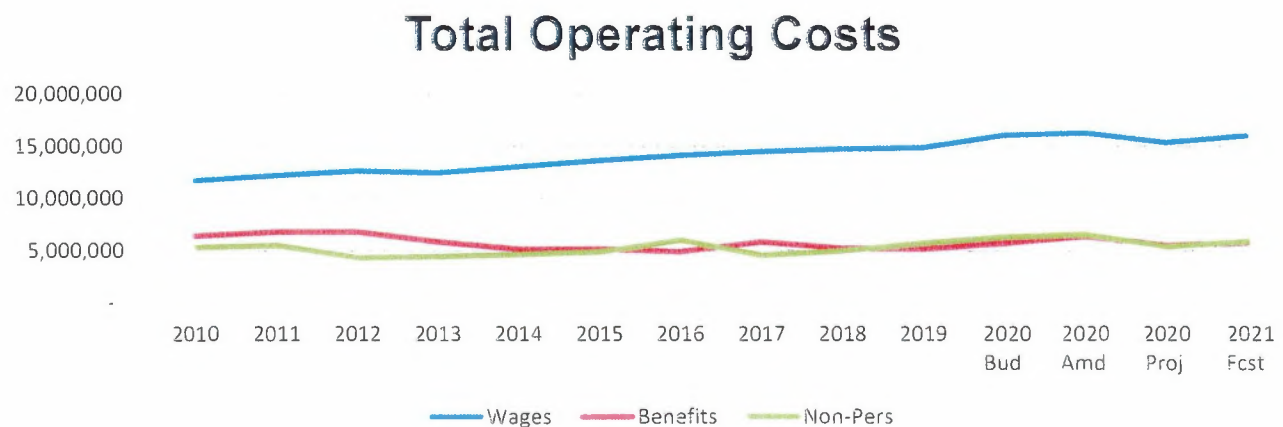
Contingency

Contingency includes a provision for unexpected expenditures and to provide Restricted reserves for emergencies, such as the 2020 Pandemic.

General Fund Expenditures By Functional Category

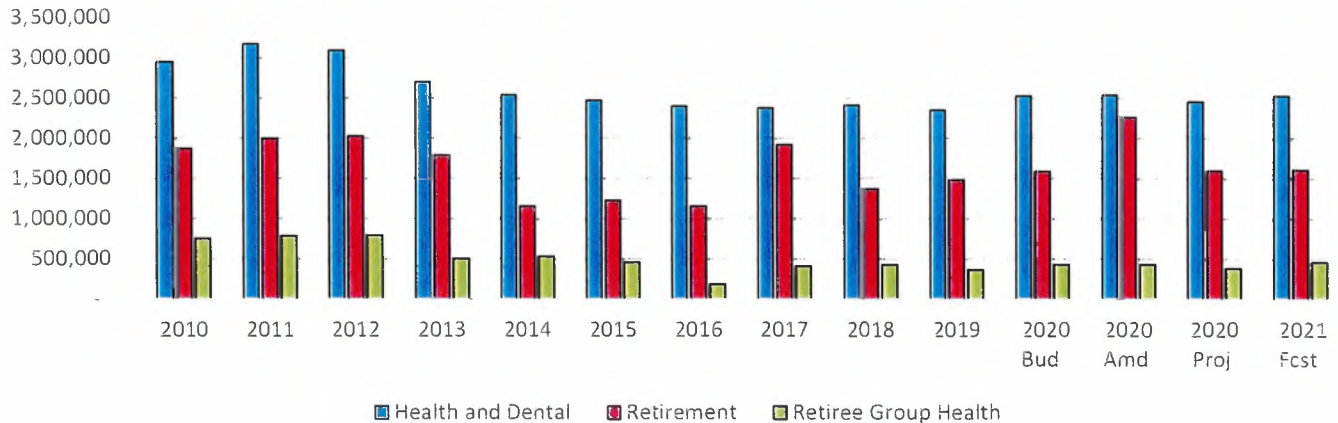
The 2020 General Fund expenditure budget is presented, on a following page, by functional categories. Salaries, wages and benefits comprise 74% of the General Fund budget.

Wages have grown from \$12.2 million in 2011 to \$ 15.4 million in 2020 or 26%, while the Full Time Equivalent has increased just 4%



Employee benefits which consist of Group Health & Dental, Retirement, Retiree Health, Life Insurance and Employment Taxes have declined from \$6.8 million in 2011 to \$5.5 million in 2020 (19.1%). The reduction was possible by controlling health care costs and sharing the cost of retirement benefits.

Selected Benefits - All Departments

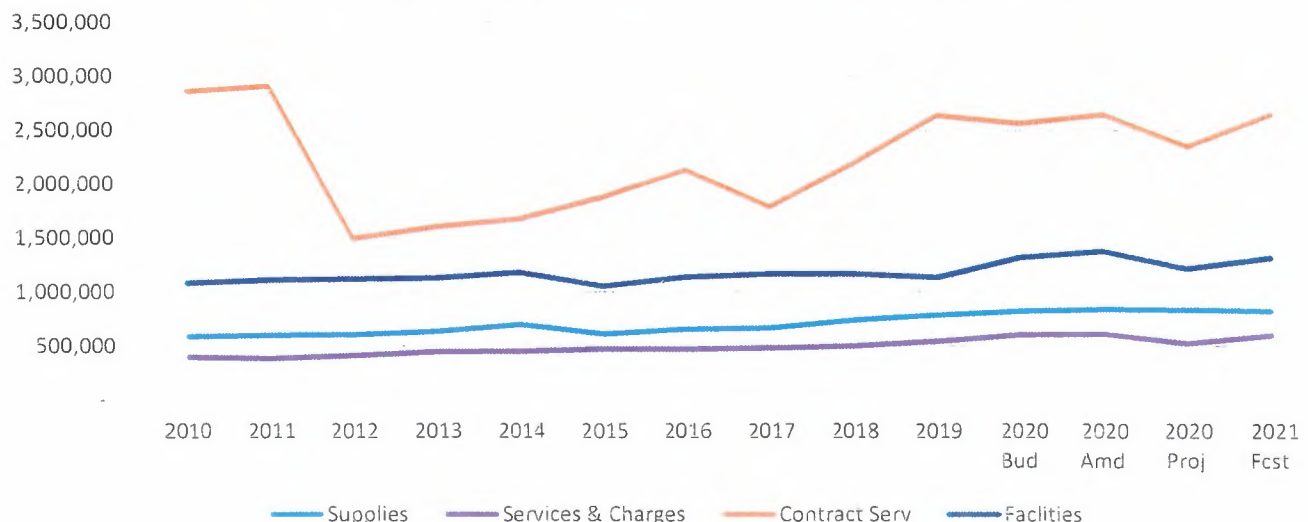


The 2017 spike in Retirement costs includes a one-time \$630,000 contribution to the Public Works retirement plan. In 2019, the City elected the Wisconsin Retirement System pension plan for all new employees. Those employees in the old plans were provided the option of remaining in the old plans. In the short term, Public Works retirement costs will be elevated as the unpaid benefit costs of the old Public Works plan work through the system.

Health costs declined in 2020 due to increased employee contributions, reducing the City's share.

Non-personnel costs consist of Property Insurance, Contracted Services, Utilities, Operating Supplies, Services & Charges, Facility Charges, Other Costs and Contingency. In 2012, the Solid Waste contract services cost was moved to a Special Revenue Fund with the imposition of the residential Solid Waste fee. The following year, the WI Legislature restricted the City's ability to adjust this fee without impacting levy increases.

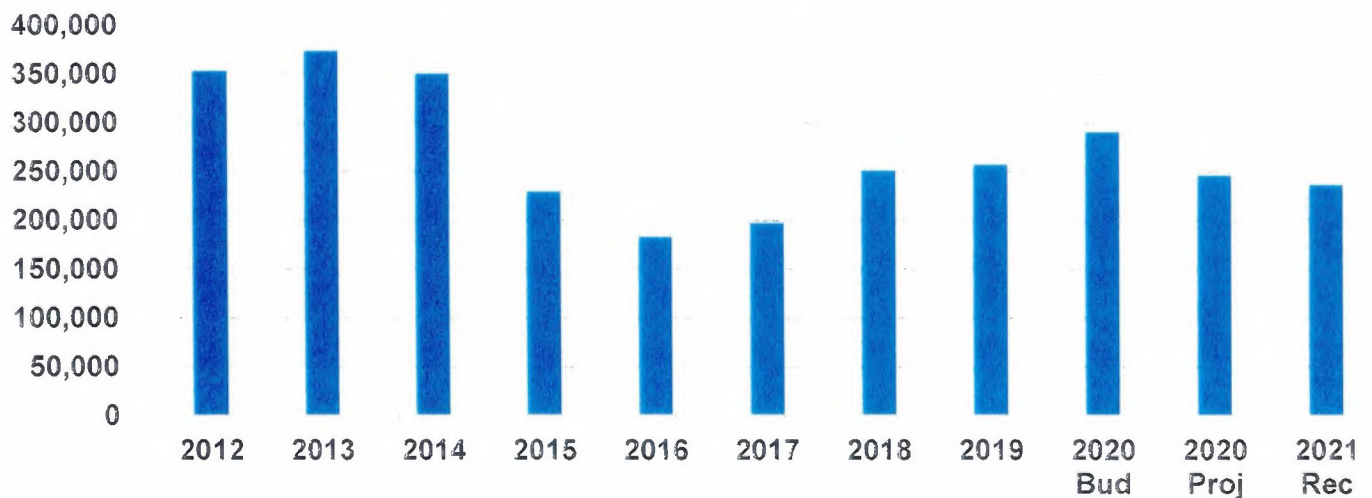
Selected Non-Pers - All Departments



Beginning in 2018, Engineering contract services includes inspection services for new development activity.

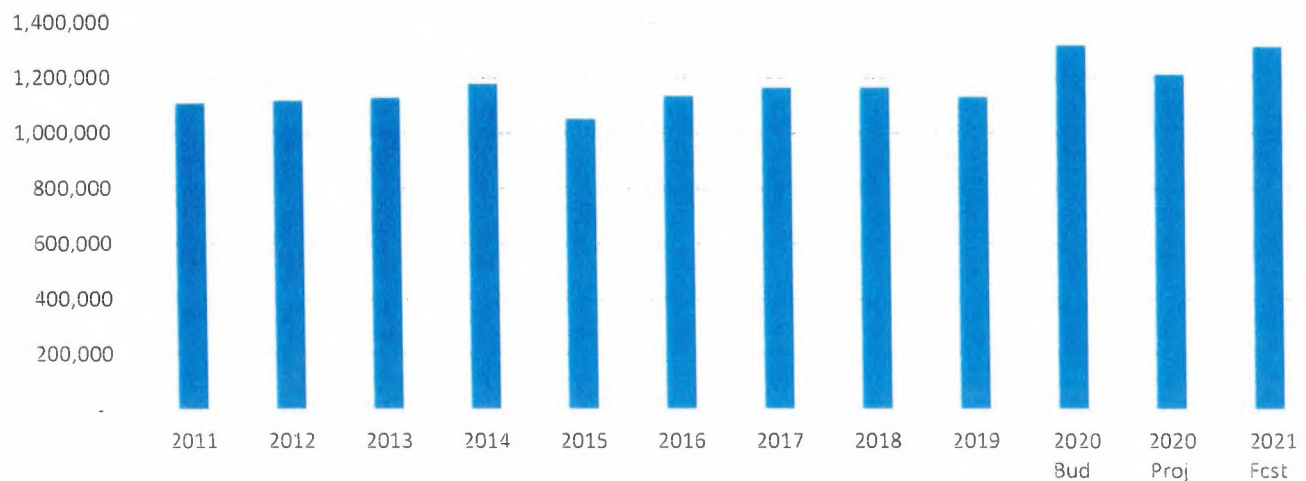
Fuel costs are another major expenditure and vary with the cost of oil. In 2012, the City spent \$353,000 on fuel and will only spend \$246,000 in 2020. Oil prices peaked over \$140/barrel in 2013, when City costs also peaked at \$373,647. This demonstrates the impact of volatile fuel prices on the City's operating costs.

Gen Fund - Fuel Expenditures



The City's aging municipal building inventory will require more maintenance costs, which can be seen in the steady rising facility charges.

Facilities Costs



City of Franklin, WI
General Fund Operating Expenditures
Six Years Ended December 31, 2021

	2016	2017	2018	2019	2020 Adopted	2020 Proj	2021 Dept	2021 Mayor	Inc (Dec)	Pct of 2020 Adopt
Salaries	14,121,239	14,507,032	14,723,472	14,855,011	16,068,620	15,390,207	16,708,527	16,040,327	(28,293)	-0.2%
Health & Dental	2,354,942	2,330,364	2,366,008	2,307,095	2,478,776	2,409,472	2,616,533	2,174,737	(304,039)	-12.3%
Retirement	1,153,827	1,918,221	1,370,847	1,482,816	1,589,814	1,595,106	1,724,567	1,672,056	82,242	5.2%
Soc Sec Taxes	1,038,157	1,072,459	1,085,726	1,084,338	1,208,083	1,171,222	1,266,524	1,215,436	7,353	0.6%
Retiree Group Health	184,391	411,699	428,250	363,281	432,170	385,578	424,439	412,928	(19,242)	-4.5%
Workman's Comp Ins	509,031	514,901	376,184	389,671	429,592	398,934	428,399	453,931	24,339	5.7%
Other Benefits	84,268	56,943	72,043	59,157	67,266	51,699	75,824	73,188	5,922	8.8%
Charged to Other funds	(411,180)	(442,100)	(468,011)	(497,340)	(492,920)	(492,920)	(485,280)	(573,860)	(80,940)	16.4%
Total Benefits	4,913,436	5,862,487	5,231,047	5,189,018	5,712,781	5,519,091	6,051,006	5,428,416	(284,365)	-5.0%
Total Salaries & Benefits	19,034,675	20,369,519	19,954,519	20,044,029	21,781,401	20,909,298	22,759,533	21,468,743	(312,658)	3.6%
Pct of Total	76.0%	81.8%	80.1%	77.8%	74.5%	79.5%	80.2%	78.4%	16.8%	
Contract Services	2,127,643	1,786,293	2,190,794	2,637,356	2,562,343	2,347,746	2,358,056	2,556,236	(6,107)	19.9%
Supplies	985,440	1,005,337	994,711	1,343,997	1,262,405	1,304,999	1,454,561	1,353,865	91,460	4.0%
Services & Charges	469,664	479,639	500,408	543,339	601,691	522,275	628,394	605,294	3,603	6.9%
Facility Costs	1,134,168	1,164,132	1,165,445	1,131,743	1,318,480	1,212,680	1,323,730	1,316,230	(2,250)	5.4%
Other	32,366	32,954	26,263	27,429	32,800	17,150	30,800	34,800	2,000	8.3%
Contingency	9,988	-	1,200	-	1,145,000	-	(190,000)	10,000	(1,135,000)	-28.9%
Transfers Out	1,250,025	57,138	84,000	52,100	524,000	-	24,000	24,000	(500,000)	91.2%
Total Other Costs	6,009,294	4,525,493	4,962,821	5,735,964	7,446,719	5,404,850	5,629,541	5,900,425	(1,546,294)	5.2%
Total Expenditures	25,043,969	24,895,012	24,917,340	25,779,993	29,228,120	26,314,148	28,389,074	27,369,168	(1,858,952)	4.0%